

LFD Budget Analysis: DPHHS Business & Financial Services Division

Business and Financial Services Division
Major Budget Highlights

The executive requests a total fund decrease of 1.7% over the 2021 biennium primarily due to a \$1.2 million present law decrease for personal services

69010 - Department Of Public Health & Human Services 06-Business & Financial Services Div.

Program Biennium Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	8,781,759	7,620,659	(1,161,100)	(13.22)%
Operating Expenses	17,280,259	18,024,797	744,538	4.31 %
Debt Service	45,726	11,352	(34,374)	(75.17)%
Total Expenditures	\$26,107,744	\$25,656,808	(\$450,936)	(1.73)%
General Fund	9,273,681	9,374,678	100,997	1.09 %
State/Other Special Rev. Funds	2,111,022	1,977,515	(133,507)	(6.32)%
Federal Spec. Rev. Funds	14,723,041	14,304,615	(418,426)	(2.84)%
Total Funds	\$26,107,744	\$25,656,808	(\$450,936)	(1.73)%
Total Ongoing	\$26,107,744	\$25,656,808	(\$450,936)	(1.73)%
Total OTO	\$0	\$0	\$0	0.00 %

The increase in operating expenses is due to the fixed costs associated with leg. Audit and DOA rent

69010 - Department Of Public Health & Human Services 06-Business & Financial Services Div.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	54.00	54.00	54.00	54.00
Personal Services	3,542,717	4,316,760	4,464,999	3,783,169	3,837,490
Operating Expenses	8,858,327	8,977,423	8,302,836	9,284,098	8,740,699
Debt Service	23,671	40,050	5,676	5,676	5,676
Total Expenditures	\$12,424,715	\$13,334,233	\$12,773,511	\$13,072,943	\$12,583,865
General Fund	4,637,483	4,738,841	4,534,840	4,781,446	4,593,232
State/Other Special Rev. Funds	1,081,543	1,201,075	909,947	996,047	981,468
Federal Spec. Rev. Funds	6,705,689	7,394,317	7,328,724	7,295,450	7,009,165
Total Funds	\$12,424,715	\$13,334,233	\$12,773,511	\$13,072,943	\$12,583,865
Total Ongoing	\$12,424,715	\$13,334,233	\$12,773,511	\$13,072,943	\$12,583,865
Total OTO	\$0	\$0	\$0	\$0	\$0

All fixed costs for services provided by the Department of Administration and the Legislative Audit Division for the entire department are funded in this division

The appropriation for Legislative audit is included as a biennial restricted appropriation in the first year of the biennium

Funding

The following table shows proposed program funding by source of authority.

Department of Public Health & Human Services, 06-Business & Financial Services Div. Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	9,374,678	0	0	0	9,374,678	36.54 %
02382 02 Indirect Activity Prog 06	1,977,515	0	0	0	1,977,515	100.00 %
02597 Healthy Montana Kids Plan	0	0	0	0	0	0.00 %
02789 6901-CHIP/MCHA Tobacco Sett Fd	0	0	0	0	0	0.00 %
State Special Total	\$1,977,515	\$0	\$0	\$0	\$1,977,515	7.71 %
03580 6901-93.778 - Med Adm 50%	0	0	0	0	0	0.00 %
03591 03 Indirect Activity Prog 06	14,304,615	0	0	0	14,304,615	100.00 %
03426 CHIP Program Fed	0	0	0	0	0	0.00 %
03974 Medicaid Exp HELP Act Admin	0	0	0	0	0	0.00 %
Federal Special Total	\$14,304,615	\$0	\$0	\$0	\$14,304,615	55.75 %
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$25,656,808	\$0	\$0	\$0	\$25,656,808	

All HB 2 appropriations are funded through cost allocation using a formula that recognizes the multiple funding sources and required general fund matches for costs that benefit common purposes related to work done by TSD throughout the department.

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Summary by Category								
Budget Item	General Fund				Total Funds			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	4,534,840	4,534,840	9,069,680	96.75 %	12,773,511	12,773,511	25,547,022	99.57 %
SWPL Adjustments	292,043	58,392	350,435	3.74 %	344,869	(189,646)	155,223	0.60 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	(45,437)	0	(45,437)	(0.48)%	(45,437)	0	(45,437)	(0.18)%
Total Budget	\$4,781,446	\$4,593,232	\$9,374,678		\$13,072,943	\$12,583,865	\$25,656,808	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	Fiscal 2022					Fiscal 2023				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(79,481)	(9,916)	(546,996)	(636,393)	0.00	(75,345)	(9,420)	(542,744)	(627,509)
DP 2 - Fixed Costs	0.00	371,548	96,020	513,756	981,324	0.00	133,752	80,944	223,206	437,902
DP 3 - Inflation Deflation	0.00	(24)	(4)	(34)	(62)	0.00	(15)	(3)	(21)	(39)
Grand Total All Present Law Adjustments	0.00	\$292,043	\$86,100	(\$33,274)	\$344,869	0.00	\$58,392	\$71,521	(\$319,559)	(\$189,646)

**Total Funds* amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

69010 - Department Of Public Health & Human Services 06-Business & Financial Services Div.

New Proposals										
-----Fiscal 2022-----						-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 5555 - Reduce GF Budget for State Share Holiday	0.00	(45,437)	0	0	(45,437)	0.00	0	0	0	0
Total	0.00	(\$45,437)	\$0	\$0	(\$45,437)	0.00	\$0	\$0	\$0	\$0

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 5555 - Reduce GF Budget for State Share Holiday -

Governor Gianforte has proposed legislation to impose a two-month state share holiday for employer contributions into the state health insurance fund. This change package removes the general fund portion of the savings generate by the contribution holiday. Savings from other funding sources will remain in the agency to be able to address ongoing functions of the agency. This change package is contingent on passage and approval of the proposed legislation.